

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA**

In re: : **Chapter 11**
MERCY HOSPITAL, IOWA CITY, IOWA, et al., : **Case No. 23-00623 (TJC)**
Debtors. : **Jointly Administered**
:

**SUMMARY OF FIRST MONTHLY FEE APPLICATION OF HBM MANAGEMENT
ASSOCIATES LLC AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF
PENSIONERS, FOR THE ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR SERVICES RENDERED
FOR THE PERIOD FROM NOVEMBER 21, 2023 THROUGH DECEMBER 31, 2023**

Name of applicant:	HBM MANAGEMENT ASSOCIATES, LLC
Authorized to provide professional services to:	Official Committee of Pensioners
Date of retention:	November 21, 2023
Date of order authorizing retention:	January 18, 2024, Docket No. 665
Period for which compensation and reimbursement is sought:	November 21, 2023 through December 31, 2023
Amount of compensation sought as actual, reasonable and necessary:	\$ 24,225.00
Amount of expense reimbursement sought as actual, reasonable and necessary:	\$ 1,836.38

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA**

-----x **Chapter 11**
In re: :
:
MERCY HOSPITAL, IOWA CITY, IOWA, et al.: :
:
Case No. 23-00623 (TJC) :
:
Debtors. :
-----x

**APPLICATION OF HBM MANAGEMENT ASSOCIATES LLC AS FINANCIAL
ADVISOR TO THE OFFICIAL COMMITTEE OF PENSIONERS, FOR THE FIRST
INTERIM ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR SERVICES RENDERED
FOR THE PERIOD FROM NOVEMBER 21, 2023 THROUGH DECEMBER 31, 2023**

I. INTRODUCTION

HBM Management Associates, LLC (the "Applicant"), pursuant to 11 U.S.C. Section 327(a), hereby requests an Order approving the Applicant's fees and expenses incurred in connection with this case. In support thereof Applicant respectfully represents:

1. Applicant is the Financial Advisor for Official Committee of Pensioners (the "Pensioners' Committee") to in the above-named case and has acted as such since its retention as of November 21, 2023. See **Exhibit A** for the HBM's Retention Order and Retention Application.
2. HBM Management Associates, LLC is Financial Advisory firm specializing in providing crisis management and financial advisory services to Companies operating both within and outside of bankruptcy. HBM's professionals have over 50 years of experience in providing such services to its clients. Applicant submits this First Interim Application for Allowance of Compensation and Reimbursement of Expenses (the

“First Interim Application”) for the period from November 21, 2023 through December 31, 2023 (the “First Interim Compensation Period”).

3. Applicant’s time has been itemized on records which reflect on a day-to-day basis the work performed by each professional or paraprofessional during the period covered by the First Interim Compensation Period. Copies of the time records are attached as **Exhibit B and Exhibit C**
4. Applicant has advanced on behalf of the client certain expenses as shown on **Exhibit D**, which expense advancements were made directly in connection with this case and were necessary in connection with Applicant's services provided to the Pensioners' Committee.
5. This First Interim Application includes fees of \$24,225.00 and expense advances of \$1,836.38 totaling \$26,061.38 for the First Interim Compensation Period. Applicant expended a total of 53.80 hours during the First Interim Compensation Period which equates to an effective rate of \$450.28 per hour. Applicant requests approval for payment of 80% of the Fees sought totaling \$19,380.00 and 100% of the Expenses sought totaling \$1,836.38. Applicant will seek approval of the 20% Holdback upon final application to the Court. Applicant has received and is holding a \$25,000.00 retainer, in accordance with its Retention Agreement. Applicant expects to apply the retainer upon its final application for fees and expenses.

II. BACKGROUND

6. Mercy Hospital Iowa City Iowa is the Plan Sponsor of the Mercy Hospital, Iowa City, Iowa Employees' Pension Plan (the “Plan”). The Plan has approximately 1,035

Participants and is a qualified defined benefit Church Plan, not subject to the Employee Income and Retirement Security Act of 1974 (“ERISA”). As the Plan is not subject to ERISA, it is not covered by the Pension Benefit Guarantee Corporation. As of the date of this Application, the Plan has approximately \$118 Million in assets available to Plan Participants. As of June 30, 2023, the Plan Benefit Obligations exceeded Plan assets by approximately \$23 million, indicating that the Plan was significantly underfunded.

7. On August 7, 2023, (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Iowa (the “Court”) commencing these bankruptcy cases. The Bankruptcy filings presents a material change in circumstances to the Plan as, it is anticipated that as of the Effective Date of any Plan of Liquidation, Mercy Hospital Iowa City Iowa (“Mercy Hospital”) will not be available to be Plan Sponsor, nor will there be any anticipated future funding of the Plan from the Plan Sponsor, and as a result, the Plan may have to amended or modified to ensure Plan Participants can rely on a portion of the benefits they expected to receive as part of their compensation for years of service to Mercy Hospital.
8. On October 18, 2023, counsel for the Mercy Pensioners Ad-Hoc Committee filed a Motion to Establish an Official Committee of Pensioners Under 11 U.S.C. § 1102 (a)(2). A hearing on the Motion was held October 27, 2023, and said Motion was granted November 3, 2023.
9. Effective January 31, 2024, substantially all of the Debtor’s Hospital operations and certain assets were sold to the University of Iowa.

10. On February 23, 2024, Mercy Hospital, Iowa City, Iowa and certain of its affiliates and subsidiaries (collectively, the “Debtors”) filed the *Debtors’ Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation*.
11. On March 29, 2024, the Debtors filed the *First Amended Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation*.

III. SUMMARY OF SERVICES RENDERED

12. Services provided to the Pensioners’ Committee during the First Interim Compensation Period have involved working with the Pensioners’ Committee and its Counsel to determine the options available to ensure the maximum recovery available to the Plan Participants given the \$23 million underfunded status of the Plan as of June 30, 2023. Applicant also monitored the Debtors’ operations, recovery of funds and monetization of assets for the benefit of all stakeholders. **Exhibit B** provides a detail of the hours and fees incurred for the services rendered to the Pensioners’ Committee during the First Interim Compensation Period. Applicant’s retention provides for its fees to be capped on a weekly basis at \$17,000.00. **Exhibit C** provides a summary of the hours and fees incurred, with agreed upon reductions, as applicable, for the agreed upon fee cap. In total, Applicant provided 53.80 hours of time and incurred \$24,225.00 of fees. These services include the following:

Meetings and Teleconferences with Professionals and Parties in Interest 19.40 Hours

- Applicant met with the Pensioner Committee Members and the Pensioner Committee counsel to apprise of status and discuss long-term Plan options available to maximize recoveries to the Plan Participants. Applicant attended weekly

meetings with the Debtors' representatives and Financial Advisors for all stakeholders to discuss and monitor case status and estimated recoveries available to stakeholders.

See detail of Hours and Fees incurred at **Exhibit B-1**.

Fee Application and Retention Related Matters **2.60 Hours**

- Applicant prepared its retention application and retention letter. Time related to Fee Applications and Retention Related Matters is charged at 50% of the Applicant's hourly rate.

See detail of Hours and Fees incurred in **Exhibit B-2**.

Document Review **21.80 Hours**

- Applicant reviewed various filings/pleadings on the Court Docket.
- Applicant reviewed the Pension Plan documents and related amendments.
- Applicant reviewed filed Monthly Operating Reports and Debtor Cash Flow reports.

See detail of Hours and Fees incurred in **Exhibit B-3**.

Travel **10.00 Hours**

- Applicant spent 10.00 hours traveling to and from IA during the First Interim Compensation Period to work the Pensioners Committee counsel, the Pensioner Committee and attend Court hearings. Travel is charged at 50% of the Applicant's hourly rate.

See detail of Hours and Fees incurred in **Exhibit B-4**.

IV. COMPLIANCE WITH GUIDELINES FOR FEES AND DISBURSEMENTS

FOR PROFESSIONALS

13. On January 30, 1996, the Executive Office for the United States Pensioners' Committees issued and adopted the United States Guidelines for Receiving Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. Sec. 330 (the "EOUST"). The EOUST Guidelines govern the preparation and filing of applications for compensation of professionals and reimbursement of expenses for all cases commenced on or after the effective date of the Bankruptcy Reform Act of 1994, October 22, 1994.
14. This First Interim Application has been prepared in accordance both the EOUST Guidelines and the Northern District Guidelines, and a certification regarding compliance is submitted herewith.
15. This First Interim Application is made by HBM pursuant to Sections 330 and 331 of the Bankruptcy Code for an allowance and award of compensation for services rendered in the amount of \$24,225.00 and reimbursement of expenses incurred in the amount of \$1,836.38. Applicant requests approval for payment of 80% of the Fees sought totaling \$19,380.00 and 100% of the Expenses sought totaling \$1,836.38. Applicant will seek approval of the 20% Holdback upon final application to the Court.
16. All of the services for which allowance of compensation is sought were rendered at the direction of the Pensioners' Committee for the benefit of the Plan Participants and the Debtors' Estates in connection with this case and not on behalf of any other person or party-in-interest.

17. The services rendered by HBM during the First Interim Compensation Period for Services Provided to the Pensioners' Committee required an aggregate expenditure of 53.80 hours of professional time in the performance of services rendered on behalf of the Debtors (**See Exhibits B and C**).
18. HBM also maintains records of all actual and necessary out-of-pocket expenses incurred in connection with the rendition of professional services. HBM incurred actual and necessary out-of-pocket expenses properly posted to this matter during the First and Final Compensation Period for Services Provided to the Pensioners' Committee in the aggregate sum of \$1,836.38 (**See Exhibit D**).
19. Applicant charges its non-bankruptcy clients for similar services performed by all such professionals and paraprofessionals at the same rates listed in the summary submitted herewith.
20. No agreement or understanding exists between HBM and any other entity for the sharing of compensation to be received for services rendered in or in connection with this case.

V. FINANCIAL STATUS OF THE CASE

21. As of March 31, 2024, the Debtor had approximately \$48 Million of cash on hand.

VI. EVALUATION OF THE FAIR AND REASONABLE VALUE OF APPLICANT'S SERVICES

22. Section 330 of the Bankruptcy Code provides the statutory authority for compensating the services and reimbursing the expenses of professionals of the courts. Section 330

(a)(1) provides for reasonable compensation for actual, necessary services rendered. Section 330 (a)(3) states that the amount of such compensation is to be based on the nature, extent and value of the services, taking into account relevant factors including, without limitation, the time spent rendering the services, the necessity or benefit of the services, and the cost of comparable services other than in bankruptcy cases. Section 330(a) (4)(A) sets forth various services for which the court may not allow compensation, including (among) other services not reasonably likely to benefit the Estate. The relevant portion of section 330 (a) of the Bankruptcy Code is as follows:

(3) (A) in determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including:

- (i) The time spent on such services;
- (ii) The rates charged for such services;
- (iii) Whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion, of a case under this title;
- (iv) Whether the services were performed within a reasonable amount of time commensurate with the complexity and nature of the problem, issue, or task addressed; and
- (v) Whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than a case under this title.

(4) (A) Except as provided in subparagraph (B), the court shall not allow compensation for:

- (vi) Unnecessary duplication of services; or
- (vii) Services that were not:
 - i. Reasonably likely to benefit the debtors' estate; or
 - ii. Necessary to the administration of the case.

23. The Applicant was selected by the Pensioners Committee as a result of its extensive experience in: (a) serving as Financial Advisor for the Debtors, Chief Restructuring Officer and Accountant for the Official Committee of Unsecured Creditor and other Parties in Interest involved in numerous bankruptcy cases, (b) bankruptcy and reorganization consulting, (c) fraud auditing and investigation and forensic accounting matters, (d) valuation of businesses and assets, (e) the litigation and dispute resolution process, and (f) sales of businesses, property and other assets.

24. The rates charged by the Applicant are competitive with those of other similarly situated firms. Applicant's billing rates have been found to be reasonable in other bankruptcy cases where Applicant has submitted applications for compensation.

25. The professional services performed by the Applicant and the resulting benefit to the Estate and the Pension Committee during the First Interim Compensation Period justify the first allowance for compensation in the amount requested. In view of the policy underlying sections 330 and 331 of the Bankruptcy Code that professionals in bankruptcy cases be compensated on a parity with professionals practicing in other fields, the First Interim allowance for compensation should be awarded as requested. The Applicant submits that the fees and expenses sought herein are not unusual to the

awards it has received in other Chapter 11 cases and in other commercial cases serviced by the Applicant.

26. As is demonstrated above, an application of the foregoing criteria more than justifies the compensation requested by HBM at this time.

27. HBM respectfully submits that the professional services rendered to the Pensioners' Committee during the First Interim Compensation Period were reasonable and necessary, and conferred a substantial benefit on the Estate and its creditors. HBM believes that allowance of the compensation for services and reimbursement of expenses requested herein is fair, reasonable, appropriate and fully justified.

WHEREFORE, HBM respectfully requests that this Court enter an order:

28. The undersigned represents to the Court that services and expense advancements provided during the First Interim Compensation Period were ordinary and necessary for a case of the nature and complexity of the case and no work was excessive or detrimental to the estate.
29. Applicant requests that the Court approve the allowance requested in this First Interim Application and authorize the Debtors to pay said allowance from available funds on-hand.
30. WHEREFORE, Applicant requests that the Court, pursuant to 11 U.S.C. Section 331, enter appropriate orders awarding compensation for services rendered, subject to a 20% holdback and 100% of expenses advanced, aggregating \$21,216.38 for the First Interim Compensation Period and authorize the Debtors to pay that amount.

/s/ Marc B. Ross
Managing Director
HBM Management Associates, LLC
6 Elmwood Lane
Syosset, NY 11791
PHONE: (732) 921-0921
FAX: (646) 861-4935
FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF PENSIONERS

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

IN RE: MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> , Debtors.	Chapter 11 Case No. 23-00623 (TJC) Jointly Administered APPLICATION TO EMPLOY HBM MANAGEMENT ASSOCIATES, LLC AS FINANCIAL ADVISOR FOR THE OFFICIAL COMMITTEE OF PENSIONERS
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The Official Committee of Pensioners (the “Pensioners Committee”) of the above captioned debtors and debtors-in-possession (the “Debtors”) submits this application (the “Application”) for entry of an order authorizing the Pensioners Committee to retain and employ HBM Management Associates, LLC (“HBM”) as its financial advisor, effective as of November 21, 2023, pursuant to 11 U.S.C. § 1103 (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). In support of the Application, the Pensioners Committee respectfully represents as follows:

1. On August 7, 2023, (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Iowa (the “Court”) commencing these bankruptcy cases.
2. On October 18, 2023, counsel for the Mercy Pensioners Ad-Hoc Committee filed a Motion to Establish an Official Committee of Pensioners Under 11 U.S.C. § 1102 (a)(2) (**Doc. 385**). A hearing on the Motion was held October 27, 2023, and said Motion was granted November 3, 2023 (**Doc. 451**).
3. Section 1103(a) of the Bankruptcy Code provides that:

At a scheduled meeting of the committee appointed under section 1102 of this title, at which a majority of the members of such committee are present, and with the court's approval, such committee may select and authorize the employment by such committee of one or more attorneys, accountants, or other agents, to represent or perform services for such committee. 11 U.S.C. § 1103(a).

4. The Pensioners Committee requests the engagement of financial advisor HBM to render the following Services:

- a) Assessment of the Mercy Hospital Employees' Pension Plan, (the "Pension Plan") including but not limited to current funded status, status of the Pension Plan and assessing options available to the Plan's Participants (the "Pensioners") as a result of the Debtor's bankruptcy filing;
- b) Work with the Pensioners Committee (The "Client"), their Attorneys, and other professionals as necessary to assess causes of action available to the Client;
- c) Assess the Debtors' and other Parties' proposed Bankruptcy Plan treatment of the Pensioners' claims;
- d) Work with the Client, their Attorneys, and other professionals as necessary to determine the options available to the Pensioners including the costs to continue administering the Pension Plan;
- e) Analyze the Plan's historical performance, Statements of Net Assets Available for Benefits and Statements of Changes in Net Assets Available for Benefits; and work with Plan professionals to update the Plan's Financial Statements through the Debtors' proposed Plan Confirmation Date;
- f) Other services as required and agreed upon with the Debtors.

5. Marc Ross, ("Ross"), a managing director of HBM shall be the primary HBM personnel on this engagement. Ross has over 25 years of experience as an advisor, bankruptcy and turnaround specialist, crisis manager, forensic accountant, and auditor. He specializes in assuming hands-on management roles or providing consulting assistance to troubled or under-performing companies. Ross has provided clients with interim management services including roles as a CRO and interim CEO, CFO and COO, operational and financial consulting, advising Debtors and Creditors' committees, providing litigation consulting and performing forensic investigations. Ross holds a Bachelor of Science in Management from Tulane University and practiced as a Certified Public Accountant (CPA) and a Certified Insolvency and Restructuring Advisor (CIRA). He won, along with a team of

professionals, the Turnaround Management Association's Turnaround of the Year Award for work on Agriprocessors, Inc.

6. Ross will be assisted by Harry Malinowski ("Malinowski"), a managing director of HBM, as required. The Client shall retain HBM at the following hourly rates: Ross, \$510; Malinowski, \$510. HBM's rates are subject to adjustment each year. Other professionals may be provided by HBM at hourly rates to be determined, to assist Ross, however such professionals shall only be utilized by Ross with prior written approval of the Pensioners Committee.
7. Notwithstanding the above rates (with respect to services performed by Ross and Malinowski only), professional fees shall not exceed \$17,000 per week. It is anticipated that the Debtors will be responsible for payment of HBM's fees, upon approval by the Court of HBM's fee applications. In addition, the Debtors will reimburse HBM for all reasonable out-of-pocket expenses (including reasonable travel and lodging costs).
8. Upon approval of HBM's retention by the Court, the Debtors shall provide HBM with a \$25,000 retainer (the "Retainer") to be held on deposit by HBM until this engagement has concluded. Any unused portion of the Retainer shall be returned to the Debtors after applying any final Court-approved outstanding amounts due to HBM.
9. To the best of the Pensioners Committee's knowledge and as evidence by the Declaration attached hereto as Exhibit "A", Ross and HBM have no connection with the United States Trustee, or any other person employed in the Office of the United States Trustee, or the Bankruptcy Judge in these cases, do not hold any interest adverse to the Debtors and are a "disinterested" person under the Bankruptcy Code.

10. For the reasons set forth herein, the Pensioners Committee submits that, pursuant to Bankruptcy Code section 1103(a) and Bankruptcy Rule 2014(a), HBM should be employed as the Pensioners Committee's financial advisor in these bankruptcy cases.

11. The Pensioners Committee requests approval of the retention and employment of HBM effective as of November 21, 2023, the date the Motion to Establish Official Committee of Pensioners was granted by this Court.

WHEREFORE, the Committee respectfully requests that this Court enter the Order, granting the relief requested herein, and granting such other and further relief as the Court may deem just and proper.

Dated: January 15, 2024

Respectfully submitted,
DAY RETTIG MARTIN, P.C.

/s/ Paula L. Roby
Paula L. Roby AT0006749
Telephone: (319) 365-0437
Facsimile: (319) 365-5866
E-mail: paula@drpjlaw.com
*Attorney for The Official Committee of Pensioners
of Mercy Hospital, Iowa City, Iowa, et al.*

Certificate of Service

The undersigned certifies, under penalty of perjury, that on this January 15, 2024, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of this case.

/s/ Julie G. Quist

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

IN RE:	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> ,	Case No. 23-00623 (TJC)
Debtors.	Jointly Administered
	DECLARATION OF MARC ROSS IN SUPPORT OF APPLICATION TO EMPLOY HBM MANAGEMENT ASSOCIATES, LLC AS FINANCIAL ADVISOR FOR THE OFFICIAL COMMITTEE OF PENSIONERS

I, Marc Ross, pursuant to 28 U.S.C. § 1746, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a managing director of HBM Management Associates, LLC (“HBM”) which is located at 6 Elmwood Lane, Syosset, NY 11791. I am familiar with the matters set forth herein and make this declaration on behalf of HBM and myself in support of the application of the Official Committee of Pensioners (the “Pensioners Committee”) in the above-captioned case, for authority to retain HBM as its financial advisor.

2. I hold a Bachelor of Science in Management from Tulane University and have practiced as a Certified Public Accountant (CPA) and a Certified Insolvency and Restructuring Advisor (CIRA). I have over 25 years of experience as an advisor, bankruptcy and turnaround specialist, crisis manager, forensic accountant, and auditor. I have provided clients with operational and financial consulting, advised Debtors and Creditors’ committees, provided litigation consulting, and performed forensic investigations. Along with a team of professionals, we won the Turnaround Management Association’s Turnaround of the Year Award for work on Agriprocessors, Inc.

3. To the best of my actual knowledge, neither HBM, nor any employee of HBM, has any connection with the above-named Debtors, their creditors, or any other party of interest herein other than Pensioners Committee with whom we have had discussions prior to this application.

4. I am not a manager or owner of, nor am I related to the manager(s) or owner(s) of the Debtors Mercy Hospital, Iowa City, IA; Mercy Services Iowa City, Inc; nor Mercy Iowa City ACO, LLC.

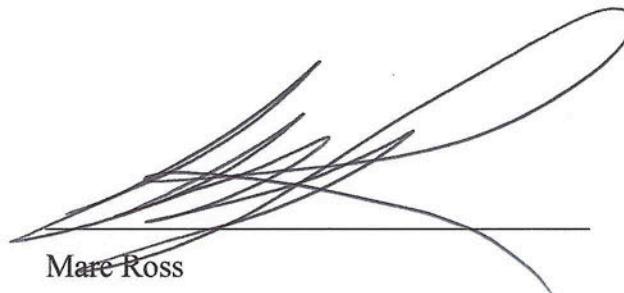
5. To the best of my knowledge, I do not have any connection with the United States Trustee for Region 12, or any person employed by the Office of the United States Trustee.

6. I am not “related” to the presiding Bankruptcy Judge in this case.

7. I do not represent any entity with an interest contrary to the interests of the Official Committee of Pensioners.

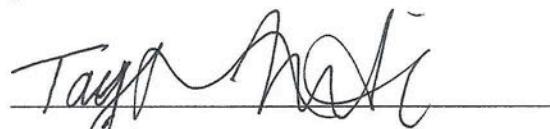
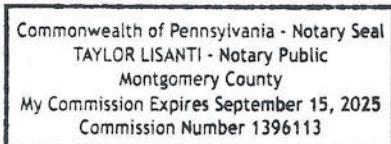
8. I will make an appropriate application to this Court for compensation and reimbursement of expenses as required by the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and the Local Bankruptcy Rules of the United States Bankruptcy Court for the Northern District of Iowa.

Dated this 12th day of January 2024.



Marc Ross

Sworn to and subscribe before me by Marc Ross, a managing director of HBM Management Associates, LLC, on this 12th day of January 2024.



Taylor Lisanti
Notary Public

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

IN RE:	Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, <i>et al.</i> , Debtors.	Case No. 23-00623 (TJC) Jointly Administered
	ORDER GRANTING APPLICATION TO EMPLOY HBM MANAGEMENT ASSOCIATES, LLC AS FINANCIAL ADVISOR FOR THE OFFICIAL COMMITTEE OF PENSIONERS

On January 15, 2024, the Official Committee of Pensioners, by and through their attorney filed (**Doc. 642**) Application to Employ HBM Management Associates, LLC (“HBM”) as Financial Advisor for the Official Committee of Pensioners (“Application”).

The Court, having reviewed the Application, finds good and sufficient cause to grant the same pursuant to 11 U.S.C. § 1103(a) and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure.

THEREFORE, IT IS ORDERED that the Application is granted, effective as of November 21, 2023. The Official Committee of Pensioners shall be entitled to employ HBM as its Financial Advisor on the terms set forth in the Application, HBM shall apply for compensation in accordance with U.S.C. §§ 330 and 331, and the Debtors are authorized to pay HBM post-petition fees and expenses as subsequently approved by the Court.

Dated and Entered:
January 18, 2024



United States Bankruptcy Judge
For the Northern District of Iowa

Order prepared by:
Paula L. Roby AT0006749
Day Rettig Martin, P.C.
ATTORNEY FOR THE OFFICIAL
COMMITTEE OF PENSIONERS

EXHIBIT B

Mercy Hospital Iowa City, Iowa, et. al.
Detailed Time incurred by Professional - November 21, 2023 - December 31, 2023

USBC NDIA 23-00623 (TJC)

Exhibit B

Date	Timekeeper	Task	Project Category Reference Code	Time	Rate	Billed	Discount for Weekly Cap	Net Billable Fees
11/21/23	Marc Ross	Call with PL Roby re: Pension Committee formation and FA needs (1.0)	Meetings/Teleconference with Professionals and Parties in Interest	1.00	\$ 510.00	510.00		
11/22/23	Marc Ross	Mercy - Commence work on Retention Letter - Call with H Malinowski re same (1.3)	Fee Application and Retention Related Matters	1.30	\$ 255.00	331.50		
11/22/23	Harry Malinowski	Call with M Ross re Retention Letter	Fee Application and Retention Related Matters	0.30	\$ 255.00	76.50		
11/24/23	Marc Ross	Mercy - Review Pension docs. Discuss retention with H Malinowski (1.7)	Document Review	1.70	\$ 510.00	867.00		
11/24/23	Harry Malinowski	Call with M Ross re Pension Plan	Meetings/Teleconference with Professionals and Parties in Interest	0.70	\$ 510.00	357.00		
11/26/23	Marc Ross			-	\$ 510.00	-	-	2,142.00
12/3/23	Marc Ross			-	\$ 510.00	-	-	-
12/4/23	Marc Ross	Mercy - Call with PL Roby re: documents and strategies (1.0)	Meetings/Teleconference with Professionals and Parties in Interest	1.00	\$ 510.00	510.00		
12/5/23	Marc Ross	Mercy - Review plan docs; strategies re: case (1.7)	Document Review	1.70	\$ 510.00	867.00		
12/6/23	Marc Ross	Mercy - Calls with PL Roby re: case status; Debtor exclusivity (1.2); call with H Malinowski re: Plan options re: Annuity for Participants (.8)	Meetings/Teleconference with Professionals and Parties in Interest	2.00	\$ 510.00	1,020.00		
12/6/23	Marc Ross	Mercy - Review Plan Documents	Document Review	1.00	\$ 510.00	510.00		
12/10/23	Marc Ross			-	\$ 510.00	-	-	2,907.00
12/12/23	Marc Ross	Travel to IA	Travel	5.00	\$ 255.00	1,275.00		
12/12/23	Marc Ross	Mercy - Prep for meeting with P Roby and Pension Committee - Review docket and documents (5.2)	Document Review	5.20	\$ 510.00	2,652.00		
12/13/23	Marc Ross	Mercy - review filings and documents and docket (1.5); review MOR and schedules (1.9)	Document Review	3.40	\$ 510.00	1,734.00		
12/13/23	Marc Ross	Mercy - call with Bond Representatives (.5); prep for and participate in meeting with Debtor and Representatives (3.4); Call with US Trustee (.1); meeting with PL Roby re: same (1.7)	Meetings/Teleconference with Professionals and Parties in Interest	5.60	\$ 510.00	2,856.00		
12/14/23	Marc Ross	Mercy - meet with debtor; call with bond counsel; meet with PL Roby re strategy (5.8)	Meetings/Teleconference with Professionals and Parties in Interest	5.80	\$ 510.00	2,958.00		
12/14/23	Marc Ross	Mercy - review documents provided by Debtor (2,6)	Document Review	2.60	\$ 510.00	1,326.00		
12/14/23	Marc Ross	Mercy - Travel to PA	Travel	5.00	\$ 255.00	1,275.00		
12/15/23	Marc Ross	Mercy - Attention to retention matters (1.0)	Fee Application and Retention Related Matters	1.00	\$ 255.00	255.00		
12/17/23	Marc Ross	Prep for and Participate in meeting with BRG	Meetings/Teleconference with Professionals and Parties in Interest	1.00	\$ 510.00	510.00	-	14,841.00
12/21/23	Marc Ross	Mercy - participate in weekly call (1.3); call with PL Roby (.3)	Meetings/Teleconference with Professionals and Parties in Interest	1.60	\$ 510.00	816.00		
12/22/23	Marc Ross	Mercy - Call with PL Roby re Plan (.3); call with Bond Committee (.4)	Meetings/Teleconference with Professionals and Parties in Interest	0.70	\$ 510.00	357.00		
12/24/23	Marc Ross			-	\$ 510.00	-	-	1,173.00
12/26/23	Marc Ross	Mercy - Review Cash Collateral Motion, Budget, Declaration of Toney and Objection of Master Trustee (3.0)	Document Review	3.00	\$ 510.00	1,530.00		
12/27/23	Marc Ross	Mercy - Review pleadings (2.0)	Document Review	2.00	\$ 510.00	1,020.00		
12/28/23	Marc Ross	Mercy - review cash flow reports; correspondence with CFO re same (1.2)	Document Review	1.20	\$ 510.00	612.00		
12/31/23	Marc Ross			-	\$ 510.00	-	-	3 162.00
		Total Fees Incurred		53.80	\$ 450.28	24,225.00	-	24,225.00

EXHIBITS B-1 through B-4

Mercy Hospital Iowa City, Iowa, et. al.

Detailed Time incurred by Project Code - November 21, 2023 - December 31, 2023

USBC NDIA 23-00623 (TJC)

Exhibit B-1

Date	Timekeeper	Task	Project Category Reference Code	Time	Rate	Billed
11/21/23	Marc Ross	Call with PL Roby re: Pension Committee formation and FA needs (1.0)	Meetings/Teleconference with Professionals and Parties in Interest	1.00	\$ 510.00	\$ 510.00
11/24/23	Harry Malinowski	Call with M Ross re Pension Plan	Meetings/Teleconference with Professionals and Parties in Interest	0.70	\$ 510.00	357.00
12/4/23	Marc Ross	Mercy - Call with PL Roby re: documents and strategies (1.0)	Meetings/Teleconference with Professionals and Parties in Interest	1.00	\$ 510.00	510.00
12/6/23	Marc Ross	Mercy - Calls with PL Roby re: case status; Debtor exclusivity (1.2); call with H Malinowski re: Plan options re: Annuity for Participants (.8)	Meetings/Teleconference with Professionals and Parties in Interest	2.00	\$ 510.00	1,020.00
		Mercy - call with Bond Representatives (.5); prep for and participate in meeting with Debtor and Representatives (3.3); Call with US Trustee (.1); meeting with PL Roby re: same (1.7)	Meetings/Teleconference with Professionals and Parties in Interest	5.60	\$ 510.00	2,856.00
12/13/23	Marc Ross	Mercy - meet with debtor; call with bond counsel; meet with PL Roby re strategy (5.8)	Meetings/Teleconference with Professionals and Parties in Interest	5.80	\$ 510.00	2,958.00
12/17/23	Marc Ross	Prep for and Participate in meeting with BRG	Meetings/Teleconference with Professionals and Parties in Interest	1.00	\$ 510.00	510.00
12/21/23	Marc Ross	Mercy - participate in weekly call (1.3); call with PL Roby (.3)	Meetings/Teleconference with Professionals and Parties in Interest	1.60	\$ 510.00	816.00
12/22/23	Marc Ross	Mercy - Call with PL Roby re Plan (.3); call with Bond Committee (.4)	Meetings/Teleconference with Professionals and Parties in Interest	0.70	\$ 510.00	357.00
				19.40	\$ 510.00	\$ 9,894.00

Mercy Hospital Iowa City, Iowa, et. al.

USBC NDIA 23-00623 (TJC)

Detailed Time incurred by Project Code - November 21, 2023 - December 31, 2023

Exhibit B-2

Date	Timekeeper	Task	Project Category Reference Code	Time	Rate	Billed
11/22/23	Harry Malinowsk	Call with M Ross re Retention Letter	Fee Application and Retention Related Matters	0.30	\$ 255.00	\$ 76.50
		Mercy - Commence work on Retention Letter - Call with H				
11/22/23	Marc Ross	Malinowski re same (1.3)	Fee Application and Retention Related Matters	1.30	\$ 255.00	331.50
12/15/23	Marc Ross	Mercy - Attention to retention matters (1.0)	Fee Application and Retention Related Matters	1.00	\$ 255.00	255.00
				2.60	\$ 255.00	\$ 663.00

Mercy Hospital Iowa City, Iowa, et. al.

Detailed Time incurred by Project Code - November 21, 2023 - December 31, 2023

USBC NDIA 23-00623 (TJC)

Exhibit B-3

Date	Timekeeper	Task	Project Category Reference Code	Time	Rate	Billed
11/24/23	Marc Ross	Mercy - Review Pension docs. Discuss retention with H Malinowski (1.7)	Document Review	1.70	\$ 510.00	\$ 867.00
12/5/23	Marc Ross	Mercy - Review plan docs; strategies re: case (1.7)	Document Review	1.70	\$ 510.00	867.00
12/6/23	Marc Ross	Mercy - Review Plan Documents	Document Review	1.00	\$ 510.00	510.00
		Mercy - Prep for meeting with P Roby and Pension Committee - Review docket and documents (5.2)	Document Review	5.20	\$ 510.00	2,652.00
		Mercy - review filings and documents and docket (1.5); review MOR and schedules (1.9)	Document Review	3.40	\$ 510.00	1,734.00
12/14/23	Marc Ross	Mercy - review documents provided by Debtor (2,6)	Document Review	2.60	\$ 510.00	1,326.00
12/26/23	Marc Ross	Mercy - Review Cash Collateral Motion, Budget, Declaration of Toney and Objection of Master Trustee(3.0)	Document Review	3.00	\$ 510.00	1,530.00
12/27/23	Marc Ross	Mercy - Review pleadings (2.0)	Document Review	2.00	\$ 510.00	1,020.00
12/28/23	Marc Ross	Mercy - review cash flow reports; correspondence with CFO re same (1.2)	Document Review	1.20	\$ 510.00	612.00
				21.80	\$ 510.00	\$ 11,118.00

Mercy Hospital Iowa City, Iowa, et. al.

USBC NDIA 23-00623 (TJC)

Detailed Time incurred by Project Code - November 21, 2023 - December 31, 2023

Exhibit B-4

Date	Timekeeper	Task	Project Category Reference Code	Time	Rate	Billed
12/12/23	Marc Ross	Travel to IA	Travel	5.00	\$ 255.00	1,275.00
12/14/23	Marc Ross	Mercy - Travel to PA	Travel	5.00	\$ 255.00	1,275.00
<u>10.00 \$ 255.00 \$ 2,550.00</u>						

EXHIBIT C

Mercy Hospital Iowa City, Iowa, et. al.
Summary Time by Project Code

USBC NDIA 23-00623 (TJC)
Exhibit C

Project Code	Column Labels				Total Sum of Time	Total Sum of Billed
	Harry Malinowski Sum of Time	Sum of Billed	Marc Ross Sum of Time	Sum of Billed		
Document Review			21.80	11,118.00	21.80	11,118.00
Meetings/Teleconference with Professionals and Parties in Interest	0.70	357.00	18.70	9,537.00	19.40	9,894.00
Travel			10.00	2,550.00	10.00	2,550.00
Fee Application and Retention Related Matters	0.30	76.50	2.30	586.50	2.60	663.00
Grand Total	1.00	433.50	52.80	23,791.50	53.80	24,225.00

Less amounts subject to Fee Cap of \$17,000 per week

Net Billable Fees Sought 53.80 \$ 24,225.00

Effective Rate \$ 450.28

Amounts Sought for Payment at 80% \$ 19,380.00

Amounts Heldback at 20% \$ 4,845.00

EXHIBIT D

**Mercy Hospital Iowa City, Iowa, et. al.
Expenses Incurred**

**USBC NDIA 23-00623 (TJC)
Exhibit D**

Expense	Date	Miles	Rate	Slip Value	Expense Type
American Airlines	12/12/23			922.40	Airfare
Crosbys Cedar Rapids	12/12/23			95.00	Meals
Mileage to and From PHL from Blue Bell PA	12/12/23	90	0.655	58.95	Mileage
Residence Inn Cedar Rapids	12/12/23			287.96	Lodging
Biaggis Cedar Rapids	12/13/23			100.00	Meals
CASEYS #2791 CEDAR RAPIDS IA	12/13/23			11.51	Fuel
Hertz Cedar Rapids	12/14/23			216.56	Rental Car
Parking PHL	12/14/23			144.00	Parking

\$ 1,836.38